

**DRAFT MINUTES**  
**Virginia Wine Board**  
**April 15, 2008**  
**Virginia Wine Marketing Office**  
**Richmond, Virginia**

**Present**

J Rock Stephens  
Ruth Saunders  
Dean Triplett

David King  
Jennifer McCloud  
Mills Wehner

William Moses  
Luca Paschina  
Todd Haymore, Comm

**Absent**

Patrick Duffeler

**Guests**

David Robishaw  
Annette Boyd  
Ann Heidig  
David Parrish

Don Blankenship  
Amy Ciarametaro  
Donna Johnson  
Joel Erb

Steven Jack  
Jim Turpin  
Terri Cofer Beirne

**Call to order**

At 12:30 PM, Chairman King called the meeting to order.

John (Rock) Stephens made a motion to go into closed session. Rock stated: "Mr. Chairman, I move that this meeting be recessed and that the Board immediately reconvene in closed meeting for the purpose of consultation with legal counsel and for review, discussion and evaluation of the independent wine marketing office as permitted by §2.2-3711.A.1 of the Code of Virginia." Jennifer McCloud seconded the motion, and with no further discussion, the motion passed and the Board went into closed session.

**Open Session**

At 12:55 PM, John (Rock) Stephens moved to exit from closed session and the motion was seconded by Dean Triplett. With no further discussion, the motion passed and the Board reconvened in open session.

Rock Stephens read the following statement:

"WHEREAS, the Wine Board has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712 of the Code of Virginia requires a certification by the Wine Board that such a closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE BE IT RESOLVED that the Wine Board hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted

from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Wine Board.

A roll call vote of the Board members certifying the committee only discussed matters approved for the closed session is as follows: Rock Stephens AYE, Jennifer McCloud AYE, Luca Paschina AYE, Bill Moses AYE, Mills Wehner AYE, Ruth Saunders AYE, Dean Triplett AYE, David King AYE, and Todd Haymore, AYE

### **Approval of the minutes from the January 10, 2008 meeting**

Prior to the meeting, Dave Robishaw distributed the draft minutes from the January 10, 2008 meeting to the Board. After a brief review, Rock Stephens moved to accept the minutes as presented, Dean Triplett seconded the motion, and with no further discussion, the minutes were approved as presented.

### **Virginia Vineyards Association Report**

Dean Triplett reported on the research projects received by the Virginia Vineyards Association (VVA). This year, 11 projects were submitted and were ranked by priority by the VVA research committee using criteria developed from industry surveys. The entire report is included with the permanent minutes. With the anticipation that the Board will have the same funding level as last year, Rock Stephens moved to fund projects 1-7 for the 2008-2009 year and any additional monies be allocated to project 8. William Moses seconded the motion and there was further Board discussion. There was some concern over funding a position that should be done by Virginia Tech. Jennifer McCloud also wanted to make sure there was adequate money spent on wine making and there are projects this year that focus on wine making. With no further discussion, the motion passed with 1 vote against the proposal

Rock Stephens shared with the Board the highlights of the winter meeting of the Virginia Vineyards Association. This was the 25<sup>th</sup> Anniversary of the Association and the meeting was well attended and included several past chairmen. Dean Triplett was voted "Grower of the Year" by the Association.

### **Virginia Winery Association Report**

Ann Heidig from the Virginia Wineries Association (VWA) was present but the VWA did not have an official report. Ann did share with the Board that the VWA has changed its bylaws and will be meeting soon.

### **Wine Marketing Office Report**

Annette Boyd from the Wine Marketing Office reported to the Board on the activities of her office. She distributed a written report to the Board which is included in the permanent minutes. Her report included an update on the wine guide, web site, print advertising, marketing opportunities, and a request for funding.

Wine Guide - more than 80% of the guides have been distributed. Her report included a breakdown of where the guides are being used. The report also included winery feedback. One comment from the Board was to use the consumer emails that have been collected and get their comments on the guide.

Web site – INM United has been selected to develop the web site and representatives from INM made a presentation to the Board. The Board saw how the site would be laid out and the opportunities for advertising. The site has incredible potential and the Board was generally very pleased with the progress. The overall project length is projected to be approximately 4 months.

Print Advertising – Annette showed the Board a picture ad that is going in “VA Wine Lovers Magazine” in May. The photo was well received and can be used in other magazines.

Marketing opportunities – Annette reported to the Board on Virginia Wine Month, DC Restaurant Association Banquet, and other trade events. At this point, the Board discussed the Virginia Wine Month and Annette feels the 20<sup>th</sup> anniversary event is a worthwhile event. William Moses moves to ask the Wine Marketing Office to work with the Virginia Tourism Council (VTC) in promoting Virginia Wine Month. The motion was seconded and with no further discussion, the motion passed.

Request for funding – Annette feels there are not enough Wine Guides to last the rest of the year and asked for \$15,000 to print and distribute more guides. She also asked for \$5,000 to purchase wine for the Wine Marketing Office to have on hand when the Governors Mansion needs wine, for tourism functions, and other events come up. After some discussion, the Board felt the criteria the Wine Marketing Office should use would be to purchase any wine that won a gold medal in any recognized competition. William Moses moved to spend \$15,000 for more wine guides and \$5,000 for a wine library that met the guidelines of winning a gold medal. Dean Triplett seconded the motion, and with no further discussion, the motion passed.

### **Report from Terri Cofer Beirne on General Assembly Activities**

Terri began her report by noting the Virginia Tourism Council (VTC) had approximately 1.7 million dollars allocated over the next 2 years to promote the general area of tours, history and historical events, wine and epicurean efforts, so the Virginia wine industry should benefit from the money. The General Assembly has the same appropriation for the Wine Board for 2008-2009 as previous years, which is approximately \$580,000 dollars. Terri passed out a report on all the legislation affecting the industry and the report is included in the permanent minutes. She highlighted the top 4 bills, including HB 694 which restored wine tasting privileges, HB 1399 which permits transfer of wine between wineries, HB 463 defining “usual and customary” activities. This bill is carried over to 2009 allowing the wineries and Fauquier County to attempt to work out their differences, and SB 366 which would have eliminated the Virginia Wine Distribution Company. This bill was carried over to 2009.

## **Virginia Wine Distribution Company**

David King reported to the Board on the status of the Virginia Wine Distribution Company (VWDC). The computer went "live" and approximately 50 wineries signed up in the first phase and another 25 will be in phase 2. The company set up took longer than expected as more governmental agencies became involved, making sure everything was constitutional. There were also some software issues that had to be solved, but things seem to be ready now. There is money in the budget to run the VWDC for 2008 and 2009.

## **Chairman's Corner**

David King had several items to bring before the Board

Marketing plan development – David is concerned that the Wine Marketing Office has not been given enough information and direction to develop an effective marketing plan. Annette distributed to the Board a summary of how she is going to formulate a marketing plan and it is included in the permanent minutes. This is something to be worked on and considered throughout the process and to realize the difficulties and constraints the Wine Marketing Office is dealing with.

New Marketing Proposals for the Wine Marketing Office - In an effort to include the industry and allow for more input, Rock Stephens developed a timeline to accept new marketing proposals similar to the timeline used to accept research projects. This timeline is included in the permanent minutes.

Use of the Current Budget – the Board has approximately \$30,000 in funding that had not been allocated prior to the meeting. So far, the Board has voted to spend \$20,000 and is looking to spend the last \$10,000. Rock Stephens explained to the Board in greater detail the work the VVA is doing on sustainability. Rock Stephens moved to spend \$2,000 with the VVA to work with sustainability in the industry marketing efforts. William Moses seconded the motion and the Board discussed the merits. With no further discussions, the motion was put to a vote and the motion failed. Jennifer McCloud moved to make available to the Wine Marketing Office the remaining \$10,000 to use on as yet unnamed marketing initiatives, with the approval of the Chairman. Dean Triplett seconded the motion, and with no further discussion, the motion passed.

AVA's – William Moses spent some time explaining to the Board the current state of affairs as it related to AVA's in Virginia. There are many wineries in Virginia not located in AVA's. Virginia Tech has committed some manpower to study the problems and William Moses is going to be talking with interested parties on the matter and report back to the Board at the next meeting.

Contract Dates for the Wine Marketing Office – the current contract with Annette Boyd is due to run out in mid October. The next contract will be less than a year and will expire at the end of the fiscal year (June 30) which will simplify the finances and allow for better budget planning.

**New Business**

Jim Turpin reported to the Board his work with the Democratic Party of Virginia in using Virginia wines at their functions. He also shared his vision with his counterpart in the Republican Party.

Food and Beverage Expo – Dave Robishaw reminded the Board of the 2008 Food and Beverage Expo on May 14 in Richmond as an opportunity for wineries to exhibit and get in front of an estimated 1,000 buyers.

Virginia Wine Expo – Dave King reported that the first annual Wine Expo appeared to be a huge success and Alex Papajohn is already planning for the 2009 event.

**Next meeting and adjourn**

The next meeting has been set for Tuesday, June 03, 2009 at 1PM at the Wine Marketing Office in Richmond.

With no further business, Jennifer McCloud moved to adjourn, seconded, and the meeting concluded at 4:20 PM.

Respectfully submitted:

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David King, Chair

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David Robishaw, Secretary